



Billing Code: 9110-11-P

**DEPARTMENT OF HOMELAND SECURITY**

**Federal Emergency Management Agency**

**[Docket ID FEMA-2014-0026]**

**National Flood Insurance Program (NFIP); Assistance to Private Sector**

**Property Insurers, Availability of FY 2015 Arrangement**

**AGENCY:** Federal Emergency Management Agency, DHS.

**ACTION:** Notice.

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**SUMMARY:** Each year, the Federal Emergency Management Agency (FEMA) is required by the Write-Your-Own (WYO) Program Financial Assistance/Subsidy Arrangement (Arrangement) to notify private insurance companies (Companies) and to make available to the Companies the terms for subscription or re-subscription to the Arrangement. In keeping with that requirement, this notice provides the terms to the Companies to subscribe or re-subscribe to the Arrangement.

**FOR FURTHER INFORMATION CONTACT:** Edward L. Connor, Deputy Associate Administrator for Federal Insurance, Federal Insurance and Mitigation Administration, DHS/FEMA, 1800 South Bell Street, Room 720, Arlington, VA 20598-3020, 202-646-3429 (phone), 202-646-3445 (facsimile), or [Edward.Connor@fema.dhs.gov](mailto:Edward.Connor@fema.dhs.gov) (e-mail).

**SUPPLEMENTARY INFORMATION:** Under the Write-Your-Own (WYO) Program Financial Assistance/Subsidy Arrangement (Arrangement), 82 (as of August 2014) private sector property insurers sell flood insurance policies and adjust flood insurance

claims under their own names based on an Arrangement with the Federal Insurance and Mitigation Administration (FIMA) published at 44 CFR Part 62, Appendix A.

The WYO insurers retain an expense allowance and remit the remaining premium to the Federal Government. The WYO insurers pay flood losses and pay loss adjustment expenses based on a fee schedule through the regulated access of federal funds. In addition, under certain circumstances reimbursement for litigation costs, including court costs, attorney fees, judgments, and settlements, are paid by FEMA based on documentation submitted by the WYO insurers.

The complete Arrangement is published in 44 CFR Part 62, Appendix A. Each year, FEMA is required to publish in the Federal Register and make available to the Companies the terms for subscription or re-subscription to the Arrangement. 44 CFR Part 62, Appendix A, Article V.B.

Signatory Companies should remain aware that all requirements of the Arrangement, including, but not limited to, financial accounting in issues involving all transactions, must be met. As set forth in Article II.A.1. of Appendix A to Part 62—Federal Emergency Management Agency, Federal Insurance Administration, Financial Assistance/Subsidy Arrangement, the Company is responsible for meeting all fiduciary responsibilities for control and disbursement of funds in connection with policy administration. This includes ensuring that all accounting for policy administration is correct. If errors are made in policy administration, the Company shall be responsible for reimbursing any incorrect allocations, assessment or other moneys compensated to that company by the Federal Government.

The Company is responsible for ensuring that all activities meet the requirements of this Arrangement and of the NFIP Financial Control Plan, 44 CFR Part 62, Appendix B. The NFIP WYO Standards Committee may take remedial action in the event any such conduct is not corrected.

FEMA will send a copy of the offer for the FY 2015 Arrangement, together with related materials and submission instructions, to all private insurance companies participating under the current FY 2014 Arrangement.

Any private insurance company not currently participating in the WYO Program but wishing to consider FEMA's offer for FY 2015 may request a copy by writing: DHS/FEMA, Federal Insurance and Mitigation Administration, Attn: Edward L. Connor, Deputy Associate Administrator for Federal Insurance, Federal Insurance and Mitigation Administration, DHS/FEMA, 1800 South Bell Street, Room 720, Arlington, VA 20598-3020, or contact Edward Connor at 202-646-3445 (facsimile), or Edward.Connor@fema.dhs.gov (e-mail).

Dated: August 8, 2014.

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**David L. Miller,**  
Associate Administrator,  
Federal Insurance and Mitigation Administration,  
Federal Emergency Management Agency,  
Department of Homeland Security.

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